

II. AFRICA IN TODAY'S WORLD: BETWEEN POVERTY AND PROSPERITY

9. Africa's place in the global community is defined by the fact that the continent is an indispensable resource base that has served all humanity for so many centuries.
10. These resources can be broken down into the following components:
 - The rich complex of mineral, oil and gas deposits, its flora and fauna, and its wide unspoiled natural habitat, which provide the basis for mining, agriculture, tourism and industrial development (Component I);
 - The ecological lung provided by the continent's rain forests, and the minimal presence of emissions and effluents that are harmful to the environment – a global public good that benefits all humankind (Component II);
 - The paleontological and archaeological sites containing evidence of the evolution of the earth, life and the human species. The natural habitats containing a wide variety of flora and fauna, unique animal species and the open uninhabited spaces that are a feature of the continent (Component III);
 - The richness of Africa's culture and its contribution to the variety of the cultures of the global community (Component IV).
11. The first of these, *Component I*, is the one with which the world is most familiar. The second, *Component II*, has only come to the fore recently, as humanity came to understand the critical importance of the issue of the environment. The third, *Component III*, is also now coming into its own, emerging as a matter of concern not only to a narrow field of science or of interest only to museums and their curators. The fourth of these, *Component IV*, represents the creativity of African people, which in many important ways remains under-exploited and under-developed.
12. Africa has a very important role to play with regard to the critical issue of the protection of the environment. African resources include rain forests, the virtually carbon dioxide-free atmosphere above the continent and the minimal presence of toxic effluents in the rivers and soils that interact with the Atlantic and Indian Oceans and the Mediterranean and Red Seas. The *New Partnership for Africa's Development* will contain a strategy for nurturing these resources and using them for the development of the African continent, while at the same time preserving them for all humanity.

13. It is obvious that, unless the communities in the vicinity of the tropical forests are given alternative means of earning a living, they will co-operate in the destruction of the forests. As the preservation of these environmental assets is in the interests of humanity, it is imperative that Africa be placed on a development path that does not put them in danger.
 14. Modern science recognises Africa as the cradle of humankind. As part of the process of reconstructing the identity and self-confidence of the peoples of Africa, it is necessary that this contribution to human existence be understood and valued by Africans themselves. Africa's status as the birthplace of humanity should be cherished by the whole world as the origin of all its peoples. Accordingly, the *New Partnership for Africa's Development* must preserve this common heritage and use it to build a universal understanding of the historic need to end the underdevelopment and marginalisation of the continent.
 15. Africa also has a major role to play in maintaining the strong link between human beings and the natural world. Technological developments tend to emphasise the role of human beings as a factor of production, competing for their place in the production process with their contemporary or future tools. The open uninhabited spaces, the flora and fauna, and the diverse animal species that are unique to Africa offer an opportunity for humanity to maintain its link with nature.
 16. Africa has already made a significant contribution to world culture through literature, music, visual arts and other cultural forms, but her real potential remains untapped because of her limited integration into the global economy. The *New Partnership for Africa's Development* will enable Africa to increase her contribution to science, culture and technology.
 17. In this new millennium, when humanity is searching for a new way to build a better world, it is critical that we bring to bear the combination of these attributes and the forces of human will to place the continent on a pedestal of equal partnership in advancing human civilisation.
- **The historical impoverishment of a continent**
18. The impoverishment of the African continent was accentuated primarily by the legacy of colonialism, the Cold War, the workings of the international economic system and the inadequacies of and shortcomings in the policies pursued by many countries in the post-independence era.
 19. For centuries, Africa has been integrated into the world economy mainly as a supplier of cheap labour and raw materials. Of necessity, this has meant the draining

of Africa's resources rather than their use for the continent's development. The drive in that period to use the minerals and raw materials to develop manufacturing industries and a highly skilled labour force to sustain growth and development was lost. Thus, Africa remains the poorest continent despite being one of the most richly endowed regions of the world.

20. In other countries and on other continents, the reverse was the case. There was an infusion of wealth in the form of investments, which created larger volumes of wealth through the export of value-added products. It is time that African resources are harnessed to create wealth for the well-being of her peoples.
21. Colonialism subverted hitherto traditional structures, institutions and values or made them subservient to the economic and political needs of the imperial powers. It also retarded the development of an entrepreneurial class, as well as a middle class with skills and managerial capacity.
22. At independence, virtually all the new states were characterised by a shortage of skilled professionals and a weak capitalist class, resulting in a weakening of the accumulation process. Post-colonial Africa inherited weak states and dysfunctional economies that were further aggravated by poor leadership, corruption and bad governance in many countries. These two factors, together with the divisions caused by the Cold War, hampered the development of accountable governments across the continent.
23. Many African governments did not empower their peoples to embark on development initiatives to realise their creative potential. Today, the weak state remains a major constraint to sustainable development in a number of countries. Indeed, one of Africa's major challenges is to strengthen the capacity to govern and to develop long-term policies. At the same time, there is also the urgent need to implement far-reaching reforms and programmes in many African states.
24. The structural adjustment programmes of the 1980s provided only a partial solution. They promoted reforms that tended to remove serious price distortions, but gave inadequate attention to the provision of social services. As a consequence, only a few countries managed to achieve sustainable higher growth under these programmes.
25. Indeed, Africa's experience shows that the rate of accumulation in the post-colonial period has not been sufficient to rebuild societies in the wake of colonial underdevelopment, or to sustain improvement in the standard of living. This has had deleterious consequences on the political process and led to sustained patronage and corruption.

26. The net effect of these processes has been the entrenchment of a vicious cycle, in which economic decline, reduced capacity and poor governance reinforce each other, thus confirming Africa's peripheral and diminishing role in the world economy. Thus, over the centuries, Africa has become the marginalised continent.
27. The *New Partnership for Africa's Development* seeks to build on and celebrate the achievements of the past, as well as reflect on the lessons learned through painful experience, so as to establish a partnership that is both credible and capable of implementation. In doing so, the challenge is for the peoples and governments of Africa to understand that development is a process of empowerment and self-reliance. Accordingly, Africans must not be wards of benevolent guardians; rather they must be the architects of their own sustained upliftment.
- **Africa and the global revolution**
28. The world has entered the new millennium in the midst of an economic revolution. This revolution could provide both the context and the means for Africa's rejuvenation. While globalisation has increased the cost of Africa's ability to compete, we hold that the advantages of an effectively managed integration present the best prospects for future economic prosperity and poverty reduction.
29. The current economic revolution has, in part, been made possible by advances in information and communications technology (ICT), which have reduced the cost of and increased the speed of communications across the globe, abolishing pre-existing barriers of time and space, and affecting all areas of social and economic life. It has made possible the integration of national systems of production and finance, and is reflected in an exponential growth in the scale of cross-border flows of goods, services and capital.
30. The integration of national systems of production has made it possible to "slice up the value chain" in many manufacturing and service-sector production processes. At the same time, the enhanced mobility of capital means that borrowers, whether governments or private entities, must compete with each other for capital in global rather than national markets. Both these processes have increased the costs to those countries that are unable to compete effectively. To a large extent, these costs have been borne disproportionately by Africa.
31. While no corner of the world has escaped the effects of globalisation, the contributions of the various regions and nations have differed markedly. The locomotive for these major advances is the highly industrialised nations. Outside this domain, only a few countries in the developing world play a substantial role in the

global economy. Many developing countries, especially in Africa, contribute passively, and mainly on the basis of their environmental and resource endowments.

32. It is in the distribution of benefits that the global imbalance is most glaring. On the one hand, opportunities have increased to create or expand wealth, acquire knowledge and skills, and improve access to goods and services – in brief, to improve the quality of life. In some parts of the world, the pursuit of greater openness of the global economy has created opportunities for lifting millions of people out of poverty.
33. On the other hand, greater integration has also led to the further marginalisation of those countries that are unable to compete effectively. In the absence of fair and just global rules, globalisation has increased the ability of the strong to advance their interests to the detriment of the weak, especially in the areas of trade, finance and technology. It has limited the space for developing countries to control their own development, as the system has no provision for compensating the weak. The conditions of those marginalised in this process have worsened in real terms. A fissure between inclusion and exclusion has emerged within and among nations.
34. In part, Africa's inability to harness the process of globalisation is a result of structural impediments to growth and development in the form of resource outflows and unfavourable terms of trade. At the same time, we recognise that failures of political and economic leadership in many African countries impede the effective mobilisation and utilisation of scarce resources into productive areas of activity in order to attract and facilitate domestic and foreign investment.
35. The low level of economic activity means that the instruments necessary for the real injection of private funds and risk-taking are not available, and the result is a further decline. In this self-perpetuating cycle, Africa's capacity to participate in the globalisation process is severely weakened, leading to further marginalisation. The increasing polarisation of wealth and poverty is one of a number of processes that have accompanied globalisation, and which threaten its sustainability.
36. The closing years of the last century saw a major financial collapse in much of the developing world, which not only threatened the stability of the global financial system, but also the global economy as a whole. One of the immediate effects of the financial crisis was the exacerbation of existing levels of deep, structural poverty in which about half of the world's population lives on less than US \$2 per day, and a fifth on less than US \$1 per day.
37. There also exist other factors that pose serious longer-term risks. These include the rapid increase in the numbers of the socially excluded in different parts of the world, contributing to political instability, civil war and military conflict on the one hand, and

a new pattern of mass migration on the other. The expansion of industrial production and the growth in poverty contribute to environmental degradation of our oceans, atmosphere and natural vegetation. If not addressed, these will set in motion processes that will increasingly slip beyond the control of governments, both in developed and developing countries.

38. The means to reverse this gloomy scenario are not yet beyond our reach. Improvements in the living standards of the marginalised offer massive potential for growth in the entire international economy, through the creation of new markets and by harnessing increased economic capacity. This will bring with it greater stability on a global scale, accompanied by a sense of economic and social well-being.
39. The imperative of development, therefore, not only poses a challenge to moral conscience; it is in fact fundamental to the sustainability of the globalisation process. We readily admit that globalisation is a product of scientific and technological advances, many of which have been market-driven. Yet, governments – particularly those in the developed world – have, in partnership with the private sector, played an important role in shaping its form, content and course.
40. The case for the role of national authorities and private institutions in guiding the globalisation agenda along a sustainable path and, therefore, one in which its benefits are more equally spread, remains strong. Experience shows that, despite the unparalleled opportunities that globalisation has offered to some previously poor countries, there is nothing inherent in the process that automatically reduces poverty and inequality.
41. What is needed is a commitment on the part of governments, the private sector and other institutions of civil society, to the genuine integration of all nations into the global economy and body politic. This requires the recognition of global interdependence in respect of production and demand, the environmental base that sustains the planet, cross-border migration, a global financial architecture that rewards good socio-economic management, and global governance that recognises partnership among all peoples. We hold that it is within the capacity of the international community to create fair and just conditions in which Africa can participate effectively in the global economy and body politic.